VZCZCXRO5058
RR RUEHIK
DE RUEHBM #0799/01 3360857
ZNR UUUUU ZZH
R 020857Z DEC 09
FM AMEMBASSY BUCHAREST
TO RUEHC/SECSTATE WASHDC 0118
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE

UNCLAS SECTION 01 OF 03 BUCHAREST 000799

SENSITIVE SIPDIS

DEPT FOR EUR/CE ASCHEIBE DEPT ALSO FOR INR/B

E.O. 12958: N/A TAGS: <u>PGOV</u> <u>PINR</u> <u>RO</u>

SUBJECT: ROMANIA ELECTION UPDATE: THE MAN WHO WOULD BE

PRESIDENT - WHO IS MIRCEA GEOANA?

REF: BUCHAREST 798

BUCHAREST 00000799 001.2 OF 003

11. (SBU) SUMMARY. Though a former Romanian Ambassador to Washington and former Foreign Minister, Social Democratic Party (PSD) presidential candidate Mircea Geoana has focused much more on domestic issues and party politics since becoming PSD Chairman in 2005. This cable profiles Geoana, s political career, while reftel assessed the foreign policy approach of a future Geoana presidency and septel will explore the nature of Geoana,s associations with the powerful PSD dealmakers and oligarchs who are supposedly behind his political rise to power. END SUMMARY.

GEOANA AND THE PSD

- 12. (SBU) Mircea Geoana first took the stage as a major player in Romanian politics in February 1996 when then-President Ion Iliescu (PSD) sent him to Washington to represent Romania as Ambassador to the United States, where he quickly acquired a reputation as a pro-active, effective diplomat. At 37 Geoana was the youngest person ever named ambassador by the Romanian government. When Iliescu was defeated by the center-right Emil Constantinescu nine months later, Geoana quickly changed horses. In a congratulatory fax to President-elect Constantinescu on election night, which has never been made public, Geoana allegedly described Constantinescu,s victory as the "triumph of democracy" and expressed his joy at seeing Iliescu, the "cancer of Romanian society," gone forever. Geoana the politician had been born.
- 13. (SBU) Geoana reinvented himself once more in December 2000 after the PSD and Iliescu were victorious both in parliamentary and presidential elections, somehow convincing Iliescu to overlook the past betrayal and name Geoana as Foreign Minister. In 2001 Geoana joined the PSD, having previously been barred from party membership as a career diplomat. While Geoana won accolades for his performance as the country,s chief diplomat, his first step into electoral politics was a flop. In June 2004, then Prime Minister and PSD chairman Adrian Nastase, jealous of Geoana,s rising national star, sent him to run against incumbent Bucharest Mayor Traian Basescu. Geoana suffered a humiliating defeat. His attempts to pass as a blue collar populist, rubber boots and all, running against the flamboyant Traian Basescu who had just exploded on the national scene, still elicit smiles. Geoana,s image as a wonkish, ungifted campaigner was born, as was his personal dislike and distrust of Traian Basescu.
- 14. (SBU) Geoana survived this first bruising experience with real politics. After Nastase lost the presidency to Basescu in December 2004 and the party went into opposition, PSD strategists realized they needed to shed their reputation for corruption which polling showed had lost them the elections.

After Geoana gave a fiery, pro-reform speech at the PSD convention, both reformists and old-guard party leaders (even Nastase) saw Mircea Geoana as the perfect vehicle. The reformists hoped Geoana could truly help modernize the party; the old guard bet that they could use him as a front to erase the corruption label without giving up any real power. Geoana became party chairman, while Nastase was named "executive chairman" and PSD stalwart Miron Mitrea secretary general. Geoana promised to be a "good listener" and a "team player."

- ¶5. (SBU) Geoana,s efforts at a party makeover in 2005 had more to do with changing the party,s image with the outside world than with any meaningful reforms. The Revolution of the Good, a reformist petition drive aimed at controlling the political elite by switching to a unicameral Parliament and a single-mandate electoral system went nowhere. The local, mostly rural chapters of the post-communist party could not relate to much less identify with their new chairman, a self-described "Third Way Social Democrat" who quoted from British PM Blair,s adviser Anthony Giddens. Politicians and pundits alike soon began to make bets as to how long Geoana would survive as national chairman.
- 16. (SBU) After the National Anti-Corruption Department (DNA) launched a high-profile corruption investigation against former PM Nastase, Geoana forced Nastase to resign his positions as PSD executive chairman and Chamber of Deputies Speaker. Nastase then joined Iliescu as the leaders of an anti-Geoana, anti-reform camp within PSD. Geoana managed to hold on to his position as PSD national chairman at an emergency convention called in December 2006, but only by agreeing to cede power to local party bosses and abandon any plans for reform. The Party's decentralized decision-making brought the local bosses into the national party leadership.

BUCHAREST 00000799 002.2 OF 003

Geoana justified his capitulation by saying that the time had come to prepare for the next elections, rather than focus on reform. He also moved to reconcile with former President Iliescu, naming him the party,s honorary chairman.

- ¶7. (SBU) In mid-2007 Geoana,s PSD chairmanship was once again in jeopardy after a failed PSD-sponsored drive to remove President Basescu from office, a drive engineered by Ion Iliescu and Viorel Hrebenciuc. A second failure quickly followed, when a PSD no-confidence motion against the government of then PM Calin Tariceanu (National Liberal Party PNL), failed largely because PSD,s Senate caucus leader Ion Iliescu did not want to alienate PNL. Geoana,s chairmanship was further weakened following PSD,s comparatively poor results in the November 2007 accession elections to the European Parliament. There were great doubts that Geoana could survive the upcoming 2008 elections.
- 18. (SBU) By 2008, Geoana had become adept at the balancing act that had kept him in power, though perhaps not fully in the driver,s seat, as national chairman of Romania,s largest party. In February 2008, Adrian Nastase) with the support of Ion Iliescu returned as chairman of the party,s National Council. In 2008, Geoana ran for and won a Senate seat from a rural district, triggering criticism that he feared facing sophisticated urban voters. In December 2008 he took the PSD into a governing alliance with Basescu,s party, the Democratic Liberal Party (PDL), over the fierce opposition of Nastase and Iliescu but backed by most local party barons, who were eager to get back in government. In May 2009 the party formally nominated Geoana as its presidential candidate. Iliescu blessed Geoana,s candidacy at the formal filing ceremony. By now, the number of those willing to bet on Geoana,s always imminent demise had considerably shrunk.

GEOANA THE POLITICIAN

19. (SBU) When Geoana took over the PSD chairmanship in 2005,

he was politically ill-prepared to manage the ponderous, centralized party that Nastase had previously ruled with an iron fist. As a politician, he lacked both the common touch and the popularity of Ion Iliescu and the firm authority of Adrian Nastase. PSD leaders and the rank and file alike looked with jealous eyes upon their rival Traian Basescu and wished for a similarly charismatic leader. While Basescu has served as an electoral engine for his party, Geoana personally has always polled below PSD,s popularity as a party. In an organization used to hierarchical, top-down management, Geoana,s early, loose leadership style did not win respect or allies. He found it difficult to implement his promised reforms, which few national party leaders really supported anyway. In the face of the national leaders, not so subtle hostility, Geoana chose to rely on local party bosses to prop up his chairmanship and break Bucharest,s hold on the party. Since he himself had little hands-on political experience as strategist or campaigner, Geoana gradually came to rely on old party hands like caucus leader Viorel Hrebenciuc and to admire the party,s top vote getters and campaigners, the local party bosses. This reliance on local bosses led Geoana into the coalition with PDL in order to win patronage and funds for the local party chapters. Iliescu, Nastase and the older generation opposed the coalition but Geoana saw that the party was cash poor and could not afford to remain in opposition for long. inexperienced Geoana weighed the risks of association with the President, s party against the financial benefits of joining the government and chose to side with his new allies, the local party officials. This gamble would pay dividends in the first round of presidential elections on November 22, **1**2009.

110. (SBU) Geoana continually made compromises, which though not furthering his political goals did cement his position as party leader. On Geoana,s watch, the party became more democratic. Critics portrayed his attempts to allow for multiple voices within the party as an inability to control the organization. However, these changes made allies out of the local leaders and eroded the power of the national party bosses. Geoana has mediated between the many interest groups within the party and has made sure he is always on the winning side of internal debates. While the local bosses have publicly expressed confidence that they could control a Geoana presidency, Geoana,s time as party chairman has shown that he may yet surprise them. What they see as weakness has often been only a delaying tactic as he looks for new sources of strength.

BUCHAREST 00000799 003.2 OF 003

GEOANA THE (NON) IDEOLOGUE

111. (SBU) Geoana has not yet transformed the PSD from post-communism to a true social democratic party, and so far there is no critical mass of party leaders behind such a move. PSD,s original core constituency of old, poorly educated voters remains mostly the same, though smaller in number. Despite Geoana, s own better draw in urban areas, the party as a whole has not connected with young urbanites. His campaign platform is a hodgepodge of grandiose promises including handouts and breaks for everyone, although he does at least acknowledge the financial crisis. He would address major issues by creating formal panels to study them: a National Commission for Attracting EU Funds, a National Pact for Jobs, Training, and Social Protection, etc. The word reform is barely even mentioned in his electoral platform. Nor has he displayed interest in supporting, much less initiating, unpopular reforms. His campaign has focused on his skills as a uniter, in contrast to Basescu the divider.

112. (SBU) Critics reproach Geoana for his flip-flopping, populism, indecisiveness, and lack of substance. He himself recently acknowledged that his late entry into politics had caused him to be awkward many times in the past. In a party where diplomatic skills were thought of little use, Geoana

never really thought to capitalize on his strengths but instead tried to adapt to what he thought others wanted, resulting in his current conflicted public persona. Former associates criticize his jealous nature (trying to sideline most domestic political rivals), excessive ambition and ingratitude. To some, he is an implausible hybrid of American mechanics (he is always scripted) and Romanian moral flexibility (bending his ideology to fit political expediency). Both Iliescu and Basescu have more recently admitted that Geoana has made "good progress" as a politician, backhanded praise at best. Iliescu had famously labeled him as a "fool," while Basescu would burst into laughter whenever asked whether he would nominate Geoana Prime Minister in 2008. PSD renegade and independent presidential candidate Sorin Oprescu recently noted: "I looked into Mr. Geoana,s eyes and saw nothing there."